

RELEASE FROM JOINT LIABILITY GUIDE

Separating, what does it mean for your mortgage?

A short, clear guide for anyone separating who needs to sort out a joint mortgage. No thick file, just the essentials.

LET'S START HERE

Sound familiar?

You're separating, and alongside all the emotional and practical matters, the joint mortgage needs to be sorted out too. Whether you were married, in a registered partnership, or living together unmarried: who stays in the home, who moves out, and how do you make sure you're not left liable for a mortgage you're no longer part of?

This guide gives you a broad overview of what's involved in a release from joint and several liability: what it means, what the lender asks for, and which steps you'll need to take. For the translation to your personal situation, with all the details that come with it, we're here for you.

In this guide

- What release from joint liability means
- The process step by step
- What determines whether it's possible, and what it costs
- The most common mistakes when separating

Three things you need to know

Separating with a joint mortgage brings up a number of topics that may be new to you. Here's a short introduction.

Joint and several liability

With a joint mortgage, you're each liable for the full amount, not just half each. This stays the case even after separating, until the lender formally releases you from it.

Settling the equity

When deciding who takes over the home, the equity (or any remaining debt) needs to be fairly divided between you and recorded on paper.

A new mortgage assessment

Whoever stays in the home needs to be reassessed on their own income, to see if they can carry the mortgage alone. This isn't a given and takes some preparation.

If you were married or in a registered partnership, this runs through the settlement agreement and divorce deed. If you lived together unmarried, the notary draws up a deed of division for this instead. We guide this process either way.

What determines it, what does it cost

A release from joint and several liability doesn't happen automatically. Here's the answer in broad strokes; the exact situation depends on your circumstances.

What determines whether it's possible

- The income of whoever stays in the home must be enough to carry the full mortgage
- The value of the home relative to the mortgage debt
- Approval from the lender: not every bank cooperates with this automatically
- The terms of the NHG (National Mortgage Guarantee), if applicable

Important: an agreement on paper is not the same as a release

Does your settlement agreement, divorce deed or deed of division state that your ex-partner will cover the mortgage payments? You're still jointly and severally liable for the full mortgage towards the lender, until the lender formally releases you from it. Only then are you actually free of it. This applies equally whether you were married, in a registered partnership, or living together unmarried.

Costs of a liability release

- Valuation fees for the current market value
- Notary fees for the deed of division
- Advisory fees
- Any early repayment penalty, if the mortgage is amended

Good to know

Transferring your share of the home to your ex-partner is often exempt from transfer tax. This applies whether you were married or living together unmarried. We'll check together whether this applies to you.

The process in a nutshell

1 Valuation of the home

A current valuation shows what the home is worth and whether there's equity or a remaining debt.

2 Financial overview and feasibility

We assess whether whoever stays in the home can carry the mortgage alone, based on their own income.

3 Recording the settlement

If you were married or in a registered partnership, the division is recorded in the settlement agreement or divorce deed. If you lived together unmarried, the notary first draws up a draft deed of division, which is later signed in its final form. We guide this process either way.

4 Application with the lender

We submit the application for release from joint and several liability and guide the contact with the bank.

5 At the notary

The deed of division and, if needed, a new mortgage deed are signed, after which the liability is formally transferred.

What we do for you

- We prefer to be involved early in the process, and have short lines with the mediator
- Advise and arrange the mortgage side of things
- Map out the financial overview and feasibility
- Stay in contact with the lender about the release from liability
- Work together with your mediator and notary where needed
- Short lines of contact: reachable via WhatsApp, phone and email
- Personal contact, at our office, at your home or online

WHO'S HELPING YOU

About Alco Hypotheken

Alco Hypotheken was founded in 2023. We are independent mortgage advisors based in Maastricht and the surrounding region, and have already arranged more than 800 mortgages. Alongside mortgage advice, we regularly guide people through separation, with an eye for both the financial and personal side of the process.

"As an expat buying with a second mortgage, the process gets complicated fast. Alco cut through it quickly; no jargon, no rushing."

Google review

"Have had a brilliant experience with Alco! Brilliant communication and service, and got me the mortgage stress free!"

Google review

WATCH OUT FOR

Common mistakes when separating

1

Thinking paperwork alone is enough

Only the lender can formally release you from the liability.

2

Testing feasibility too late

Check early whether the one staying can carry the mortgage alone.

3

Not settling the equity correctly

This can lead to conflict or unnecessary tax disadvantages.

4

Forgetting to review insurance

Think of life and buildings insurance held in your name.

NEXT STEP

Ready to talk further?

Every situation is different, and the details often make the difference. Schedule a free introductory conversation. Feel free to reach out via WhatsApp, phone or email first.

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